MEDI-CAL UPDATE

Outpatient Services Bulletin 350

Billing and Policy Adult Day Health Care Centers Bulletin 350

December 2003

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Articles with related Part 1 Manual Replacement Pages may be found in the "Program and Eligibility" bulletin. Articles with related Part 2 Manual Replacement Pages may be found in the "Billing and Policy" bulletin. The Medi-Cal Update may not always contain a "Billing and Policy" section.

2004 HCPCS and CPT-4 Codes: Billing Update

The 2004 updates to the *Current Procedural Terminology – 4th Edition* (CPT-4) and *Healthcare Common Procedure Coding System* (HCPCS Level II codes) will become effective for Medicare on January 1, 2004. Medi-Cal has not yet adopted the 2004 updates. Do not use the 2004 code updates to bill for Medi-Cal services until notified to do so in a future *Medi-Cal Update*.

County Medical Services Program: Rate Adjustment

Effective for dates of service on or after November 1, 2003, the County Medical Services Program (CMSP) implemented a 10 percent rate reduction for services rendered to CMSP recipients. This reduction applies to CMSP recipients with the following aid codes: 50, 84, 85, 88, 89 and 8F. This reduction does not apply to inpatient services.

Remittance Advice Details (RADs) will identify payments affected by these rate reductions with RAD code message 477: "CMSP (County Medical Services Program) reduction cutback."

Note: This reduction is not related to the Medi-Cal reimbursement reduction of 5 percent (required by the *Welfare and Institutions Code* [W&I], Section 14105.19).

Information about this rate reduction is reflected on provider manual replacement page <u>county med 12</u> of the Part 1 manual.

Federally Qualified Health Centers and Rural Health Clinics: 2003 MEI Rate Increase

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) with established Prospective Payment System (PPS) rates are subject to annual adjustments based on the Medicare Economic Index (MEI). Effective October 1, 2003, the MEI-based percentage rate increased 3 percent. To be eligible for the 2003 MEI-based rate increase, the FQHC or RHC must have established a PPS rate on or before October 1, 2003. Providers do not need to resubmit previously paid claims to be reimbursed for the MEI increase. Claims will be automatically reprocessed during the PPS processing that will occur in late 2003 or early 2004.



Billing Examples

The September 2003 bulletin included updates to your provider manual as a result of the first phase of the Health Insurance Portability and Accountability Act (HIPAA) implementation. Billing examples in this month's *Medi-Cal Update* conform to recently published HIPAA standards. Please refer to the new billing examples when submitting claims for dates of service on or after September 22, 2003.

Important: When you update your manual, please <u>retain the billing examples that you remove</u>. Place them after the Appendix tab at the back of your manual. These pages will help you bill for services rendered prior to September 22, 2003.

These updates are reflected on manual replacement pages speech exu 2 and 3 (Part 2).

ICD-9-CM Diagnosis Codes: 2004 Updates

Providers may use the following diagnosis codes for claims with dates of service on or after January 1, 2004. Please refer to the 2004 *International Classification of Diseases, 9th Revision, Clinical Modification, 6th Edition* (ICD-9-CM) for the description of each diagnosis code.

079.82	289.82	530.21	728.88	850.11	V53.91
255.10	289.89	530.85	752.81 *	850.12	V53.99
255.11	331.11 §§	600.00 *	752.89	959.11	V54.01
255.12	331.19	600.01 *	766.21 †	959.12	V54.02 §
255.13	331.82	600.10 *	766.22 †	959.13 *	V54.09
255.14	348.30	600.11 *	767.11 †	959.14	V58.63
277.81	348.31	600.20 *	767.19 †	959.19	V58.64
277.82	348.39	600.21 *	779.83 †	996.57	V58.65
277.83	358.00	600.90 *	780.93	V01.82	V64.41
277.84	358.01	600.91 *	780.94	V04.81	V64.42
277.89	414.07 +	607.85 *	781.94	V04.82 ††	V64.43
282.41	458.21	674.50 **	785.52	V04.89	V65.11 ** ‡
282.42	458.29	674.51 **	788.63	V15.87	V65.19
282.49	480.3	674.52 **	790.21	V25.03 ** ‡	V65.46
282.64	493.81	674.53 **	790.22	V43.21	E928.4
282.68	493.82	674.54 **	790.29	V43.22	E928.5
289.52	517.3	719.7	799.81 ‡‡	V45.85	
289.81	530.20	728.87	799.89	V53.90	

- * Restricted to males
- † Restricted to ages 0 thru 1 years
- § Restricted to ages 0 thru 21 years
- ‡ Restricted to ages 5 thru 70 years
- + Restricted to ages 40 thru 99 years
- ** Restricted to females
- †† Restricted to ages 0 thru 3 years
- §§ Restricted to ages 0 thru 50 years
- ‡‡ Restricted to ages 10 thru 99 years

Revisions

The descriptions for the following ICD-9-CM diagnosis codes are revised: 282.60, 282.61, 282.62, 282.63, 282.69, 414.06, 491.20, 491.21, 493.00, 493.02, 493.10, 493.12, 493.20, 493.22, 493.90, 493.92, V06.1 and V06.5.

Inactive

Effective for dates of service on or after January 1, 2004, the following ICD-9-CM diagnosis codes are inactive and no longer reimbursable: 255.1, 277.8, 282.4, 289.8, 331.1, 348.3, 358.0, 458.2, 530.2, 600.0, 600.1, 600.2, 600.9, 719.70, 719.75, 719.76, 719.77, 719.78, 719.79, 752.8, 766.2, 767.1, 790.2, 799.8, 850.1, 959.1, V04.8, V43.2, V53.9, V54.0, V64.4 and V65.1.

Instructions for Manual Replacement Pages Adult Day Health Care Centers (ADU) Bulletin 350

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Part 2

Remove and replace: adu ex 1 thru 3 *

occu exu 1 thru 3 *
phys exu 1 thru *3
rural ex 1 thru 3 *
speech exu 1 thru 3
tar sub clk 1/2 *
tar submis 1/2 *

^{*} Pages updated/corrected due to ongoing provider manual revisions.